Boosting agricultural export

316. SHRI C.P. THIRUNAVUKKARASU: Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact that frequent charges and inconsistency in agri-export policy is hampering the export of agri products;

(b) if so, the details thereof;

(c) whether Government have received recommendations from ASSOCHAM for incorporation in agri-export policy;

(d) if so, the details thereof;

(e) what is Government's reaction thereto; and

(f) the other steps proposed by Government to boost agri-export?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV): (a) and (b) Review of export performance of agricultural products is an on-going process, and accordingly, policy interventions are made, as and when considered necessary, with a view to making agricultural exports increasingly viable. The value of agricultural exports has increased from Rs. 25213.66 crores in the year 1999-2000 to Rs. 29485.85 crores during the year 2001 -02.

(c) to (e) ASSOCHAM has made a representation to Ministry of Food and Civil Supplies giving suggestions for raising agricultural exports with special focus on export of wheat and rice. Some of the important suggestions made in the representation *inter alia* include:

(i) Fixation of quantity target for export of wheat and rice for the year 2002-03 should be fixed at 7 million tonnes for wheat and 5 million tonnes for rice.

(ii) The export price should be fixed for a minimum period of 3 months.

(iii) The minimum quantity of rice fixed for purchase from FCI under one contract should be reduced from 5000 tonnes to 2000 tonnes.

(iv) All recognised export houses etc. should be exempted from submitting bank guarantee for purchase of rice from FCI.

(v) Steps to be taken to improve the quality of foodgrain produced in the country and procured by FCI to augment exports.

The representation received by ASSOCHAM has been carefully examined and the following changes in the policy have already been effected:

(i) The export price of wheat and rice will now be announced by the Government for a period of three months with an additional month given for lifting of foodgrain, and such export prices will be announced 45 days in advance, before the commencement of the concerned quarter during which the price so announced will remain valid.This will enable the exporters to conduct international negotiations for exports under a stable price regime.

(ii) The minimum quantity of rice to be lifted by an exporter, which was fixed at 5000 MTs earlier, is now reduced to 2000 MTs in order to enable the larger number of small exporters to participate in rice export. Exporters can now lift rice in lots of 500 MTs or their multiples from more than one godown within a district.

(iii) The present policy in respect of export of rice exempts nominated PSUs and other agencies, namely, STC, MMTC, PEC, NAFED, NCCF and MARKFED, from providing the bank guarantee, and stipulates that these PSUs/agencies can undertake exports themselves or through star trading houses. Now all Government recognized export houses, trading houses, star trading houses and super-star trading houses will be entitled to undertake export through these nominated PSUs and other agencies in order to broad-base the participation of exporters.

(iv) A Standing Committee has been set up under the Chairmanship of Secretary (F & PD), Government of India, with senior officers of the Ministry and FCI, to hear the problems of the exporters regularly and take immediate decisions to resolve their problems.

(f) Some of the steps taken/proposed to be taken are as follows:

- Providing assistance for raising small and large nurseries for production of good quality planting material, upgradation of technical knowhow of farmers through demonstrations, trainings

and publicity, rejuvenation of old plantations, area expansion improving productivity and training of farmers.

- Grant of financial assistance for improved packaging, strengthening of quality control and modernization of processing units.
- Arranging promotional campaigns such as buyer-seller meets and participation in important fairs and exhibitions.
- Providing assistance in development of data base and dissemination of market information.
- Providing assistance for setting up of laboratories for testing of products to ensure quality, eliminating contamination and ensuring freedom from fungi and bacteria.
- Creation of agri-export zones to promote export of agro and agro based product.
- Quantitative and packaging restriction on wheat and its products, butter, pulses, grain and flur of barley, maize, bajra, ragi and jowar have been removed on 5th March, 2002.

Decontrol of urea sector

317. SHRI HARENDRA SINGH MALIK: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

. (a) whether Government have taken a decision to decontrol the u rea sector;

(b) if so, the details thereof;

(c) whether the Fertilizers Association of India (FAI) has opposed this decision;

(d) if so, the details thereof; and

(e) Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI TAPAN SIKDAR): No, Sir.

(b) to (e) Questions do not arise.